

## INDUSTRIAL COMMISSION OF NORTH DAKOTA

John Hoeven Governor

Wayne Stenehjem Attorney General

Roger Johnson Agriculture Commissioner

News Release

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For Immediate Release

## **Industrial Commission Approves Funding for Pipeline Interconnect Study**

Bismarck, ND – The North Dakota Industrial Commission today awarded a \$89,750 contract to two companies – Kadrmas, Lee, & Jackson and Rooney Engineering, Inc. - for a feasibility study on constructing a pipeline to connect with one of TransCanada's Keystone pipelines.

"We are working to develop more pipelines and other infrastructure to move the oil and gas we produce in North Dakota to market," said Governor John Hoeven. "The pipeline authority was created to facilitate the development of pipeline infrastructure in North Dakota."

"The study will determine whether a connecting pipeline can be economically built by a third party, address quality concerns of transporting Bakken crude in the same pipeline as oil sands crude, provide route options, and establish a project timeline," said Attorney General Wayne Stenehjem. "This is the first step in the process that can assist in transporting our valuable crude oil to the market."

"We expect the study to be completed by mid-April," said Agriculture Commissioner Roger Johnson. "If the findings indicate such a project is feasible, we hope the information will encourage private companies to go forward with construction."

The 2,148-mile Keystone Pipeline will transport up to 590,000 barrels of crude oil daily from Alberta to U.S. markets in Illinois and Oklahoma. It enters North Dakota near Walhalla and exits the state south of Oakes. Also, TransCanada is planning to build the Keystone XL pipeline, which will pass very close to North Dakota's western border, and will provide another option for North Dakota producers.

Justin Kringstad, director of the Pipeline Authority will coordinate the study with Bismarck-based Kadrmas, Lee, & Jackson and Rooney Engineering, Lakewood, CO.

The Industrial Commission, consisting of Governor John Hoeven as chairman, Attorney General Wayne Stenehjem and Agriculture Commissioner Roger Johnson, oversees the pipeline authority, which is funded by the Oil and Gas Research Fund.

> -30-For further information contact Justin Kringstad at 220-6227